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SUBJECT: MEDIA REACTION: PRESIDENT CHEN SHUI-BIAN'S TRIP TO
NICARAGUA

Summary: Taiwan's major Chinese-language dailies continued to focus their coverage January 10 on the insolvency crisis involving The Chinese Bank; on President Chen Shui-bian's transit of San Francisco; and on the personnel reshuffle currently going on in the KMT. The pro-unification "United Daily News" ran a banner headline on page four that read "Bian Transiting San Francisco; No U.S. Official Greet Him at the Airport; Bian's [Activities] Are Limited in the Hotel." In terms of editorials and commentaries, a news analysis in the pro-unification "Liberty Times," Taiwan's largest-circulation daily, commented on President Chen's transit of the United States. The article said Washington's making things easier for Chen during his U.S. transit en route to Nicaragua sent out a clear political signal. An editorial in the limited-circulation, pro-independence, English-language "Taipei Times" also said "Chen's willingness to take the flight to an uncertain ally and fly the flag, so to speak, is the sign of a president who might just be beginning to fight back." End summary.

A) "Art of Transiting"

Journalist Tsou Jiing-wen noted in an analysis in the pro-independence "Liberty Times" [circulation: 600,000] (1/10):

"President Chen Shui-bian has again set foot on the continental United States since more than a year ago and stayed overnight in San Francisco. Prior to his departure, some complication took place during the negotiation process between Taiwan and the United States.

Given China's strategy to target and monitor [Secretary of State Condoleezza] Rice closely and [Washington's doubts] about whether or not Chen still retains his leadership, the chances were originally slim for Chen to stay overnight in the United States. But the Blue camp's tardy response to the special arms procurement budget, which the United States cares about most, has more or less created some subtle chemical reactions to Washington's consideration of a balanced policy.

"Chen, who has just passed the test of the Taipei and Kaohsiung mayoral elections at the end of 2006 but has yet to break free from the entanglements of the Presidential Office Allowance for State Affairs case, hopes to regain the high ground of a state leader that he previously enjoyed by using this diplomatic journey. This is a political practice both Taiwan and Washington are well aware of. Prior to Chen's departure, the United States had watched closely whether his New Year Day's speech would 'go too far.' It had also tried to figure out whether A-Bian, who is labeled as 'corrupt,' still remains in charge. One can clearly see the United States' prudence [on this matter] under its strategic need to stabilize its relations with China. ...

"Given AIT's smooth transmission of information, the distance between Washington and Taipei is actually just a few feet away. Why was Ma Ying-jeou hijacked by James Soong? Why is it the People's

First Party that has been dominating the KMT's policies?
Washington's patience [with the Blue camp] has long exceeded its limit. Now that the Legislative Yuan's session is about to conclude, Washington is watching closely the KMT's next step! At this moment, [Washington's move to] make things easier for A-Bian sends out a clear political signal. Besides, A-Bian is traveling to Nicaragua, where a left-wing president has been elected; Bian's trip can also help stabilize the United States' backyard, so why not do him a favor at little cost to itself?"

B) "Better to Stand up Than Await Death"

The pro-independence, English-language "Taipei Times" [circulation: 30,000] editorialized (1/10):

"President Chen Shui-bian's trip to Nicaragua is not significant for which and how many stops in the US that Washington will allow this time, but rather as a reminder of Taiwan's bizarre diplomatic milieu and that Chen still has the energy to juggle being a stifled, lame duck president at home and a quixotic statesman abroad. ... The risk for Chen is that he could look utterly inept if Nicaragua were to swap allegiance soon after the inauguration. Given his difficulties at home, however, Chen could hardly be intimidated by such minor corrosion of his image. If anything, Chen's willingness to take the flight to an uncertain ally and fly the flag, so to speak, is the sign of a president who might just be beginning to fight back."

YOUNG